

Critical Capital Needs of Alabama Public Higher Education

As prescribed by Section 16-5-2(c), "...the Commission shall serve in an advisory capacity to the legislature and the governor of this state in respect to all matters pertaining to state funds for the operation and the allocation of funds for capital improvements of state supported institutions of higher education."

The Commission's funding recommendation for 2003-2004 is based solely on the estimated facilities renewal backlog for all of public higher education. This estimate is based on the Commission's Facilities Renewal Formula, which is located on pages C-13 through C-23. A summary of which can be found on Table 1 below.

| Table 1 Facilities Renewal Formula FY 2003-2004 Summary Alabama Public Institutions | | | | | | | | |
|---|---------------|---------------|--------------|--------------|--------------|-------------|--------------|-----------------|
| Annual Renewal Allowance | | | | | | | | |
| Institution | E&G | Auxiliary | Other | Health E&G | Hospital | Vet Med | AES/CES | Total |
| Senior & MESC/ Dauphin Isl Sealab | \$36,181,746 | \$16,533,436 | \$1,546,695 | \$6,564,348 | \$5,821,172 | \$669,591 | \$844,684 | \$68,161,672 |
| Two-Year System | 14,500,505 | 924,421 | 150,789 | | | | | 15,575,715 |
| Total | \$50,682,251 | \$17,457,857 | \$1,697,484 | \$6,564,348 | \$5,821,172 | \$669,591 | \$844,684 | \$83,737,387 |
| Cumulative Renewal Backlog | | | | | | | | |
| Senior & MESC/ Dauphin Isl Sealab | \$485,374,564 | \$221,666,392 | \$17,215,382 | \$72,465,319 | \$72,304,520 | \$8,668,225 | \$14,454,073 | \$892,148,475 |
| Two-Year System | 184,269,788 | 12,168,946 | 2,130,168 | | | | | \$198,568,902 |
| Total | \$669,644,353 | \$233,835,338 | \$19,345,550 | \$72,465,319 | \$72,304,520 | \$8,668,225 | \$14,454,073 | \$1,090,717,378 |

By applying well-established facilities planning standards, state and national codes, and other professional criteria to campus facilities and enrollment data, one-third of the facilities renewal formula backlog may be viewed as critical.

This year, from the Facilities Master Plans and Capital Project Requests reports submitted by all public two and four-year institutions the Commission staff has received capital requests for immediate (year 1) and intermediate (year 2) capital projects totaling over a billion dollars. Table 2 is a recapitulation of all the institutional requests. Appendix 1, which follows this narrative, describes the institutional requests in more detail.

| Table 2 Summary of Immediate and Intermediate Capital Projects Requests Alabama Public Institutions | | | | | |
|---|---------------------|----------------------------------|----------------------------|--|-----------------|
| Institution | New Construction | Renovation / Major Remodeling | Major Capital Equipment | Deferred Maintenance / Facilities Renewal | Total |
| Senior & MESC/ Dauphin Isl Sealab | \$685,555,509 | \$223,175,300 | \$13,124,545 | \$63,359,890 | \$985,215,244 |
| Two-Year System | 88,315,800 | 38,000,252 | 2,690,000 | 25,152,500 | 154,158,552 |
| Total | \$773,871,309 | \$261,175,552 | \$15,814,545 | \$88,512,390 | \$1,139,373,796 |